



STATE OF WEST VIRGINIA  
OFFICE OF THE ATTORNEY GENERAL  
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## Press Release

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### FOR IMMEDIATE RELEASE

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### **FTC, 35 States Reach Agreement with LifeLock For Misleading Advertising and Sales Tactics**

Today, Attorney General Darrell McGraw joined the U.S. Federal Trade Commission (FTC) and 34 states in announcing an agreement reached with LifeLock, Inc., a Tempe, Ariz.-based identity theft protection provider, that resolves an investigation into the company's misleading advertising practices.

"This landmark settlement ensures West Virginia consumers receive the identity protection they expect when they sign up for services with Lifelock," said Attorney General McGraw.

The FTC and states began jointly investigating LifeLock amid allegations that the company made a range of deceptive claims that misled consumers to believe its services were a "proven solution" that would protect against all forms of identity theft, including criminal, mortgage and child identity theft. The settlement also resolves allegations that the company misrepresented the nature of specific services it provided to protect or alert consumers when their personal information had been compromised.

Although the FTC and state attorneys general share jurisdiction to investigate unfair and deceptive practices against consumers, a joint enforcement action of this magnitude is unprecedented.

LifeLock sells identity theft services which past advertisements claimed were "guaranteed" to protect consumers' personal information and prevent criminals from using it to open accounts in their names. Some ads even included CEO Todd Davis' Social Security number, which Davis said showed "how confident I am in LifeLock's proactive identity theft protection." LifeLock's advertisements also implied that individuals with fraud alerts on their consumer reports will always receive a phone call prior to the opening of new accounts, when in fact a phone call is not required by federal law.

Under the agreement, LifeLock is prohibited from misrepresenting that its services:

- Protect against all types of identity theft;
- Constantly monitor activity on each of its customers' consumer reports;
- Always prompt a call from a potential creditor before a new credit account is opened in the customer's name; and
- Eliminate the risk of identity theft.

LifeLock is also prohibited from overstating the risk of identity theft to consumers, including whether a particular consumer has become or is likely to become a victim. Past marketing materials have warned consumers about their heightened risk of identity theft when LifeLock did not have information to warrant such a warning.

LifeLock agreed to pay \$11 million in restitution to consumers. The FTC and states will jointly send letters to eligible consumers, notifying them of the agreement and how they can opt-in to the settlement. LifeLock also agreed to pay \$1 million to cover the costs of the states' investigation.

Federal and state laws provide consumers with a variety of tools to help protect themselves against identity theft. Consumers who have a reasonable suspicion that they are or are about to become victims of identity theft can place free fraud alerts on their credit reports by contacting one of the three major credit reporting agencies. In addition, consumers can obtain free copies of their credit reports to review their own credit histories and identify errors and inaccuracies, such as unauthorized accounts. Consumers are also best-positioned to monitor their own bank accounts and credit card statements for unauthorized withdrawals or charges.

States participating in today's agreement include: Alaska, Arizona, California, Delaware, Florida, Hawaii, Idaho, Illinois, Indiana, Iowa, Kentucky, Maine, Maryland, Massachusetts, Michigan, Missouri, Mississippi, Montana, Nebraska, Nevada, New Mexico, New York, North Carolina, North Dakota, Ohio, Oregon, Pennsylvania, South Carolina, South Dakota, Tennessee, Texas, Vermont, Virginia, Washington and West Virginia.

Any persons wishing to file a complaint about a consumer matter or to alert the Attorney General about unfair or deceptive practices may do so by calling the Consumer Protection Hot Line, 1-800-368-8808, or by obtaining a complaint form from the consumer web page at [www.wvago.gov](http://www.wvago.gov).

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